

DCI BRIEFING FOR  
RUSSELL SUBCOMMITTEE

9 January 1967

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9 January 1967

DCI BRIEFING FOR  
RUSSELL SUBCOMMITTEESOVIET AND CHINESE MILITARY DEVELOPMENTS

- ✓ I. I intend to begin today with a summary of what we know, and what we conclude, about the Soviet ICBM force, the Soviet anti-ballistic missile capability, and Chinese Communist advanced weapons.
- ✓ II. This information is derived from all of the intelligence collection techniques available to the U. S. Government. Many of these methods are highly sensitive, and I know that you will take this fact into consideration.
- ✓ III. Our information base this year is better than it has ever been. Nevertheless, we still have certain intelligence questions that we have been unable to answer satisfactorily. The principal one of these has to do with a sharp difference of opinion in the intelligence community on the Soviet anti-missile capability, which I will discuss in a few minutes.

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✓ IV. Let me get right down to the conclusions of our latest National Intelligence Estimates:

ICBMs

✓ V. New Soviet ICBMs are coming into operational status at a rapid pace.

✓ A. By our latest count, there are now 381 ICBMs ready to fire, and another 400 under construction.

1. We estimate that the operational count will reach a range of 670 to 765 in mid-1968, and 800 to 1,050 in mid-1970.

✓ B. The present deployment will do more than increase the number of ICBMs. It will increase the ability of the Soviet ICBM force to survive a U.S. strike.

✓ 1. The earlier deployment put the majority of the ICBMs on soft pads. Many of them were clustered so that one good hit could knock out two or three of them.

✓ 2. We estimate that by 1968 four out of five missiles will be sheltered in silos. The new missiles are far enough apart to ensure that each one would have to be knocked out separately.

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- ✓C. What this does is to make the Soviets much more confident of their capability for what the military strategists call "assured destruction"--the ability to destroy a significant proportion of our population and resources even if the United States should strike first.
- ✓VI. To have a clear understanding of the controversy over the Soviet anti-ballistic missile, I would like to point out that it involves two separate missile systems.
  - ✓A. First, around Moscow the Soviets are indeed deploying an array of missiles and radars conclusively demonstrated to be an ABM system.
  - ✓B. Part of the system should be ready to go this year. *entire system could be operational by about 1970.*
  - ✓C. When it is finished, Moscow will be protected by about 100 solid-fuel missiles that can reach out several hundred miles and explode a nuclear warhead above the atmosphere.
  - ✓1. We think the system would have a good capability against a limited number of existing missiles, but it doesn't have what it takes to cope with a major attack, or with the penetration aids that incoming missiles will have in the future.

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✓ D. This system I have just described is unique to Moscow. You only have to think for a minute about what Moscow has meant in Russian history to realize that the Soviets will defend Moscow with any system that might help, regardless of cost, effectiveness, or feasibility.

✓ 1. We have seen no indication that this system is going to show up anywhere else in the Soviet Union.

✓ VII. Now let's leave Moscow to look at another defensive missile deployment. This one, so far, has showed up in 26 locations, which would indicate that the Soviets think pretty well of it. We call this one the Tallinn system after the city in Esthonia where we first detected one of these installations. The Tallinn system is the object of the controversy I have mentioned, because so far there just isn't enough hard evidence to be positive of its purpose.

✓ A. CIA believes that this system is more likely to be a defense against high-flying, high-speed aircraft and other aerodynamic vehicles. This is the conclusion of the current estimate.

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✓ B. The other view is that the weapon is basically an anti-ballistic missile, with a secondary mission against aerodynamic vehicles. This is the view of DIA, the Army, and the Air Force. *Intelligence*

✓ C. Both views rely on inferences drawn from deployment patterns, [REDACTED]

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[REDACTED] Soviet requirements, and other similar factors.

1. Neither side can line up enough evidence to disprove the other view.

2. The argument cannot be resolved until we get more information.

✓ VIII. There used to be considerable discussion of a Leningrad system, which only helps to confuse the issue.

✓ A. In 1960 the Soviets began building three sizable missile complexes around Leningrad.

✓ 1. We suspected at first that this might be a prototype ABM system.

✓ 2. If so, it was abortive; the Soviets suspended work on the sites about 1962.

✓ 3. After the Tallinn facility was started in 1964, the Leningrad installations

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were modified to accommodate the new layout. As a result, the Leningrad system no longer exists.

CHINESE ADVANCED WEAPONS

✓ IX. The Chinese Communists, as you know, have been testing nuclear devices, and ballistic missiles to deliver them.

✓ A. As far as we can judge, the Chinese should be able to deploy a few nuclear medium-range missiles this year.

✓ B. We also estimate that if they are engaged in an attempt to develop an intercontinental weapon, they could deploy their first crude ICBMs in the early 1970s.

✓ I. We believe that they have embarked on an ICBM program. We have seen no sign of any of the missile components, but we have photographed a big new complex at their missile test range which has the dimensions of an ICBM launch pad.

✓ 2. Also, this is one of those cases where logic carries almost as much weight as evidence. If the Chinese feel that they

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can develop a weapon system which could  
hit the United States, they are not likely  
to turn down such a project without a try.

- ✓ C. We are beginning to get more specific coverage  
on the missile test activity at the remote  
Chinese test range.

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XI. In the present state of Chinese technology, any weapons they might make now would be crude and inefficient by our standards, *and Soviet standards* but their existence still raises Chinese Communist prestige in Far Eastern eyes.

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9 January 1967

DCI BRIEFING FOR  
RUSSELL SUBCOMMITTEE

THE CHINESE COMMUNIST CULTURAL REVOLUTION

- ✓ 1. The Chinese today are pre-occupied with the domestic purge which they call the "cultural revolution."
- ✓ A. Trying to determine who is doing what to whom right now is a lot like trying to pick a winner when several cats are fighting under a rug, but this is our current reading:
- ✓ B. This is a struggle for power.
  - ✓ 1. The prime mover at present is Defense Minister Lin Piao. (Lin Byaw)
  - ✓ 2. He has been driving to unseat any potential rivals ever since he was proclaimed Mao's heir-apparent at the start of the present disturbance last summer.
  - ✓ 3. His immediate targets are the two men who have been at the top of the party machinery, Chief of State Liu Shao-chi

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(Lyew Shao-chee), and the general secretary, Teng Hsiao-ping. (Dung Shaw-ping)

✓ C. For the past couple of months, Lin's drive appeared to be stalled. There was some reason to believe that a group headed by Premier Chou En-lai (Joe En-lye) does not want to see the party machinery completely shattered.

✓ 1. The role of Mao Tse-tung (Mao Dzeh-dung) during this period was obscure. It appeared that he was giving general support to Lin Piao (Lin Byaw), but was reluctant to condone extreme action against men as close to him as Liu (Lyew) and Teng (Tung).

✓ D. Early in January, the leadership struggle apparently entered a more critical phase.

✓ 1. Newspapers and Red Guard organizations have published authoritative reports of a bitter personal attack by Mao himself on Liu and Teng.

✓ 2. With Mao's personal prestige engaged, the status of Liu and Teng will have to be settled soon. A mass rally is scheduled

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~~to take place in Peking to day. This  
could be the occasion for their final  
disgrace.]~~

- ✓ II. This would be only a first step for Lin Piao.  
(Lin Byaw) His goal all along has been to accomplish a major reorganization of the party.



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- ✓ B. Many of the party leaders owe their careers to Liu and Teng, who have dominated the party machinery for more than a decade.
- ✓ 1. If Liu and Teng go down in disgrace, Lin will be able to use their past associations to demote or dismiss large numbers of party officials in key positions.

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- ✓ III. I should note that my best China-watchers at CIA complain bitterly these days when they are asked to come up with a neat, short summary of the present situation. They insist they have got to have room to put in the loop-holes.
  - ✓ A. The danger as they see it lies in the fact that there are apparently deep splits in the Red Guard movement *itself*.
    - ✓ 1. The cultural revolution is even turning on some of its own leaders.
    - ✓ 2. There is Tao Chu (Tao Joo), for instance, who jumped up to fourth place in the hierarchy last August, behind Mao, Lin, and Chou En-lai. Tao is now head of the party propaganda department, and has been one of the directors of the cultural revolution from the outset.
    - 3. Now Tao Chu is under attack.
  - ✓ B. There are at least two rival Red Guard headquarters in Peking.
    - ✓ 1. One of them announced that it was going to smash the rival headquarters, accusing its leaders of trying to shield party leaders from attack.

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✓ C. You will have noted the latest development in the struggle in this weekend's newspapers. We are inclined to accept these accounts of massive and violent struggles in Nanking and elsewhere.

✓ 1.  traffic

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has been interrupted on the Peking - Nanking - Shanghai railroad since about 27 December, <sup>one of</sup> ~~most~~

✓ 2. <sup>AKS in Comm. China</sup> It appears that someone is using organized.

bodies of workers to do battle with <sup>Lin Pi ao's</sup> ~~these~~

followers in the Old Guards.

✓ 3. If this spreads, as seems quite possible, then we will have something for which there is no other term but Civil War.

✓ IV. When and how will the turmoil in Peking finally be resolved?

✓ A. We have no idea. The opposing forces, judging by the protracted struggle, must be quite evenly matched.

✓ 1. Some days, it looks as though they are digging in for a long winter of political trench warfare.

✓ 2. The next day, a war of movement and a showdown may appear imminent.

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✓ 3. I would say it is still too early to speculate usefully on the outcome.

✓ B. There are two points, however, which we can make.

✓ 1. First, as long as China's leaders are pre-occupied with this internal wrangling, they will find it difficult to reach agreement on any new policy lines. So we do not expect any radical departures from existing policies.

✓ 2. Second, whoever wins, we can see no reason for suspecting that there will be any dilution of Peking's implacable hostility to the United States. [We have no stake in their rivalries, so we might as well enjoy the show while it lasts.]

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9 January 1967

DCI BRIEFING FOR  
RUSSELL SUBCOMMITTEENORTH VIETNAMESE POSITIONS ON NEGOTIATIONS

- ✓ I. Holiday truce periods, diplomatic soundings, and international visits have recently produced numerous statements on the attitude of the North Vietnamese government toward negotiations. Because of its importance, I would like to go over this subject with you in some detail, at the risk of being repetitious. Indeed repetition is the <sup>heart</sup>~~least~~ of the matter, for our analysts reach their conclusions on the North Vietnamese attitude through the laborious comma-by-comma comparison of literally thousands of Hanoi's pronouncements. We have studied every one of them we could lay our hands on, public or private, made directly or through third, fourth or fifth parties, over the last several years.
- ✓ A. We know that along with Western and neutral efforts, there has been a sustained try by Hanoi's Soviet and East European friends for two years to impress on the North Vietnamese

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the advantages of taking a flexible attitude on the question of negotiations.

✓B. Hanoi's leaders on the one hand have stated that they feel the war will ultimately end in negotiations.

✓1. On the other hand, it is clear that they neither wish, nor feel compelled at present, to make any move which might be interpreted as a sign of weakness on their part.

✓C. Given these two elements of their thinking, it is not surprising that there are or appear to be significant differences among the various statements purporting to define their attitude toward negotiations.

✓II. We have found it helpful to compare these statements with a couple of authoritative yardsticks:

(i) a policy statement by Premier Pham Van Dong in April, 1965, and (ii) a letter from President Ho Chi Minh to various world leaders a year ago, in January 1966.

A. Pham Van Dong stated that if the U.S. accepts Hanoi's four points as "the basis" for a political settlement it will be possible

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"to consider" the convening of a Geneva-type conference.

- ✓ B. Ho Chi Minh in January 1966 stated that for a peaceful settlement to be achieved, the U.S. must also "prove by actual deeds" that it accepts the four points. He went on to demand that the U.S. must "end unconditionally and for good," all bombing raids and "other war acts" against North Vietnam. He also stated that "if the U.S. really wants peace, it must recognize the National Front for the Liberation of South Vietnam as the sole, genuine representative of the South Vietnamese people, and engage in negotiations with it."

✓ III. Recent initiatives that have occasioned most of the current statements relating to Hanoi's attitude toward negotiations have been those of Ambassador Goldberg and U Thant, and the visit to Hanoi by Harrison Salisbury of the New York Times.

- ✓ A. In regard to U Thant's efforts, the North Vietnamese representative in Paris, Mai Van Bo, speaking at a press luncheon on

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January 5, said in reply to a question that North Vietnam rejects all efforts by the UN to deal with the Vietnam problem, because Vietnam falls under the 1954 Geneva Agreements.

- ✓ 1. Bo's statement was in keeping with Hanoi's distrust of the UN and its officers, but one specific distinction should be made: U Thant personally is treated with greater restraint, probably because he has been openly critical of the U.S. position on Vietnam.
- ✓ 2. Thant in turn continues to insist that Hanoi will respond favorably to his initiative if the U.S. stops bombing the north, but he has not offered any firm evidence on this point.
- ✓ B. At the January 5 meeting, Bo referred to Ambassador Goldberg's letter to U Thant as "the same old song."

- ✓ 1. Adding weight to Bo's comment is a [redacted] that another member of the North Vietnamese delegation in Paris had previously said Bo would not

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comment on the subject until he received instructions from Hanoi.

- ✓ 2. The UAR Foreign Ministry told our Cairo Embassy on December 24 that the North Vietnamese Ambassador there had dismissed Ambassador Goldberg's letter as "strictly a propaganda ploy."

- ✓ C. Bo also said that if the U.S. were to stop bombing finally and unconditionally, and thereafter propose to establish contact with the government of North Vietnam, he--Mai Van Bo--thought that such a proposal would "be examined and studied."

- ✓ 1. This is an unusual statement for a North Vietnamese spokesman.
- ✓ 2. It was presented as a personal opinion, but it has been interpreted as an authoritative indication that Hanoi would indeed respond to a cessation of air raids.
- 3. On the other hand, Bo went on to indicate that even if Hanoi agreed to "contacts," basic demands for a settlement would remain unchanged.

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✓ D. Bo, in fact, used virtually the same terms to describe Hanoi's requirements as the Ho letter last January.

✓ III. Bo's personal opinion that "contacts" might be considered is the only recent intimation that Hanoi would offer any quid pro quo for a bombing cessation.

✓ A. The Soviets and East Europeans have been questioned closely on this point by U.S. and other Western diplomats.

✓ 1. We have direct reports of conversations in which Brezhnev, Gromyko, and Foreign Minister Rapacki of Poland replied that they could not say what Hanoi's reaction would be to a cessation.

✓ 2. They insisted, on the other hand, that there would certainly be no response from Hanoi as long as the bombings continued.

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stop "escalating" the war and make an unconditional and suitable declaration of willingness to recognize the National Liberation Front as one of the main parties to a settlement.

✓ IV. Another recent intimation of possible flexibility on Hanoi's part was Harrison Salisbury's account of his interview with Pham Van Dong carried in the New York Times of January 4.

✓ A. We will probably have to wait until Salisbury is back in the United States to learn in detail what he was told.

✓ B. Hanoi seems determined to counter--at least publicly--the impression that Pham Van Dong indicated a more flexible approach in the Salisbury interview. Hanoi radio on January 6 issued a statement characterizing Western press speculation about the interview as "tendentious."

✓ C. Pham Van Dong's statement to Salisbury that the four points are to be considered not as conditions for peace talks but as constituting the basis for a settlement and as "valid

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conclusions for discussion" has been cited as evidence of a concession on Hanoi's part.

- ✓ D. In fact, however, this has long been Hanoi's position. Mai Van Bo stated in May 1965 that the four points were "working principles," not preconditions.
- ✓ E. The confusion lies in part in the fact that other, tougher demands, such as Ho Chi Minh's January 1966 letter, refer to conditions for a settlement, not for negotiations.
- ✓ F. The North Vietnamese often fuzz this point, however. For example Mai Van Bo on January 5--after calling on the U.S. to recognize the four points and to end the bombing unconditionally--stated that "only in this way can we reach a position favorable for a peaceful settlement."
  - ✓ 1. So far, there has been no specific definition of what is meant by "recognizing" or "accepting" the four points. Such statements from time to time have stated that these are not preconditions, because the United States is not required to implement the four points prior to negotiations.

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- ✓ 2. The formulations have never precluded the interpretation, however, that the United States would have to commit itself to making the four points part of a settlement before any negotiations could begin.

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- ✓ V. In short, the recent statements have provided room for speculation and openings for exploration, but they have provided no good evidence that Hanoi has altered its basic demands for settlement of the war, and no assurance that a cessation of the bombing of North Vietnam will elicit any reciprocal concession from North Vietnam, such as an agreement to enter talks with the United States.

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Premier Pham Van Dong to  
DRV National Assembly, 12 April 1965:

"1) Recognition of the basic national rights of the Vietnamese people--peace, independence, sovereignty, unity and territorial integrity. In accordance with the Geneva agreements, the U.S. Government must withdraw from South Vietnam U.S. troops, military personnel, and weapons of all kinds, dismantle all U.S. military bases there, and cancel its military alliance with South Vietnam. It must end its policy of intervention and aggression in South Vietnam. In accordance with the Geneva Agreements, the U.S. Government must stop its acts of war against North Vietnam and completely cease all encroachments on the territory and sovereignty of the Democratic Republic of Vietnam(DRV).

"2) Pending the peaceful reunification of Vietnam, while Vietnam is still temporarily divided into two zones the military provisions of the 1954 Geneva Agreements on Vietnam must be strictly respected. The two zones must refrain from entering into any military alliance with foreign countries and there must be no foreign military bases, troops, or military personnel in their respective territories.

"3) The internal affairs of South Vietnam must be settled by the South Vietnamese people themselves in accordance with the program of the NFLSV (National Front for the Liberation of South Vietnam) without any foreign interference.

"4) The peaceful reunification of Vietnam is to be settled by the Vietnamese people in both zones, without any foreign interference."

".....The DRV Government declares that any approach contrary to the aforementioned is inappropriate; any approach tending to secure United Nations intervention in the Vietnam system is also inappropriate. Such approaches are basically at variance with the 1954 Geneva agreements on Vietnam."

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LIBERATION FRONT'S "FIVE POINTS"

From a declaration by the National  
Front for the Liberation of South  
Vietnam, 22 March 1965:

"1. The United States has disregarded the  
Geneva agreements.

"2. The NFLSV asserts that the South Viet-  
namese people will never drop their weapons as long  
as they have not achieved independence, democracy,  
and peace. All negotiations would be useless, as  
long as U.S. troops and material have not been with-  
drawn from South Vietnam.

"3. Vietnam is one....The South Vietnamese  
acclaim the fighting spirit of their neighbors, Laos  
and Cambodia.

"4. The South Vietnamese people and their  
representatives, the NFLSV, have the full right to  
receive and warmly acclaim the just assistance of  
world peoples, especially when the U.S. imperialists  
are introducing troops to expand the war in South  
Vietnam and throughout Indochina.

"5. The South Vietnamese have scored brilliant  
victories and will continue the struggle against the  
U.S. aggressors."

NB: These are difficult to summarize as  
demands for a settlement, and were prob-  
ably not designed as such originally.  
They passed virtually unnoticed in a  
lengthy NFLSV manifesto until a subse-  
quent reference in Hanoi to the "Five  
Points" as the basis for a Vietnamese  
settlement, after which they were  
extracted from the early statement and  
given the status of a program.

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9 January 1967

DCI BRIEFING FOR  
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SITUATION IN VIETNAM

The Main Force War:

1. Combat activity in 1966 generally demonstrated--and, we believe, convinced the enemy--that large Communist units can not take the initiative in the face of superior Allied firepower, mobility, and improved intelligence.

2. In the northern part of South Vietnam, Communist main force units were repeatedly thrown off balance or mauled by US and Allied spoiling operations; in the delta, they were essentially contained by South Vietnamese troops. Viet Cong fatalities rose 40 percent last year over 1965, substantial supplies were captured or destroyed, and large-scale enemy attacks dropped off sharply in the second half of 1966.

3. Communist main force strength is nevertheless greater now than a year ago (by some 23,000 men, largely through infiltration); their main force units are still in the field, and will probably try to keep Allied forces tied down in widely scattered areas. The enemy will still attack in force when opportunities arise.

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Guerrilla Warfare and Harassment:

1. There is evidence, both in Communist propaganda statements and in the pattern of their more successful recent actions, that the Viet Cong will place increased emphasis on guerrilla warfare this year.

2. Small-scale raids, sabotage, terrorism, and political subversion have never ceased. Communist strategists now appear to believe intensified guerrilla operations offer the best means of countering the impact of the US military build-up, and of prevailing in a prolonged war.

3. CIA believes that enemy assets for waging guerrilla warfare are somewhat more numerous than the officially accepted 110,000 armed irregulars and 40,000 odd "armed political cadres," but quality has probably suffered from the priority given in recent years to rapid expansion of the main force.

4. The Communist political and guerrilla infrastructure remains deeply entrenched in much of the countryside, and may be reinforced by increased diversion of regulars to guerrilla-type operations.

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Pacification:

1. The effort to root out the Viet Cong from the countryside and to expand the Saigon government's writ showed little concrete progress over the past year despite scattered gains.

2. This year the government (starting with some 56.7 percent of the population under its control and some 25,500 Revolutionary Development cadres) has trimmed its goals in the hope of making surer, if slower, progress; however, the program is still plagued with weaknesses, including official and popular apathy at the local level.

3. The South Vietnamese army will be assigned to provide a security screen for pacification activities--perhaps the most important factor at present to the program's success; the army's poor leadership and morale and need for intensive retraining, however, suggest that results will be spotty and slow.

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South Vietnamese Political Situation:

1. The outlook for continued political stability in South Vietnam is considerably brighter now than a year or six months ago, but fundamental problems of divisiveness and ineffectiveness remain.

Some new major crisis cannot be ruled out.

2. The present government has survived for 18 months, and the evolution toward constitutional government is progressing on schedule; an initial draft constitution has been prepared, is scheduled for debate on January 11. The timetable calls for promulgation by about April, and for presidential and legislative elections before the end of this year.

3. The immediate issue is Assembly resentment of the government's power to amend the constitution; beyond that, the prospect of elections themselves could entail unforeseen alliances, new factionalism, and a new strain on the military whose unity and support remains essential to the stability of any regime.

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✓ Effectiveness of Bombing in North Vietnam:

1. The cumulative effects of the air raids on North Vietnam continue to limit the capability of the North Vietnamese forces for overt aggression, but they have not reduced the ability to support military activity in South Vietnam and Laos, either at present or increased levels of combat and manpower.

2. The bombings appear to be having some deleterious effect on public morale. We have reports of consumer shortages, and the extensive evacuation of civilian personnel has caused some economic difficulties. There is no good evidence, however, that the leadership's resolve to continue the war has been weakened.

3. The bombings have forced the diversion of major resources and work forces to repair damage. North Vietnam has been denied the use of larger coastal carriers, and is severely limited in the use of established port facilities. Measurable losses to the economy and military establishment are estimated at \$184 million.

4. On the other hand, POL supplies have not dropped below 60-day levels since September 1, and attacks on rail, highway and waterway transportation have reduced efficiency but have not stopped movement. Energetic construction of replacement and alternate bridges have rail capabilities at their highest level since the bombing stand-down a year ago.

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DCI BRIEFING FOR  
RUSSELL SUBCOMMITTEE

9 January 1967

RHODESIA, SOUTH AFRICA, AND SANCTIONS

- ✓ I. It is a sure bet that the problem of Rhodesia, South Africa, and sanctions is going to be a headache for some time to come.
  - ✓ A. The sanctions are not going to force the break-away government in Rhodesia back under London's control.
    - ✓ 1. This type of pressure just won't work unless it is applied to the Republic of South Africa, and probably Portuguese Mozambique as well.
    - ✓ 2. Rhodesia will continue to sell its export goods, and bring in the essential imports it needs, through these friendly neighbor countries.
  - ✓ B. As a result, the African nations will be demanding that the sanctions be extended to any countries which may help Rhodesia evade them.
    - ✓ 1. The more radical African countries were thinking of South Africa when the sanctions were applied to begin with.

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- ✓ 2. They think the British should somehow be made to settle the Rhodesian problem by military force.
- ✓ 3. Meanwhile, they welcomed economic pressure against Rhodesia as a step toward making the major powers apply the same measures to South Africa.
- ✓ 4. Even the more moderate African nations, however--for instance, those which still operate within the British Commonwealth--insist that Rhodesia must be forced back into line.

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✓ C

- ✓ III. South Africa is going to help Rhodesia get oil and sell tobacco, and the sanctions are not going to be extended to neighboring countries.
- ✓ A. I do not need to speak to what the U.S. government may decide--the British are simply not going to go along with this, because the British economy is in bad shape already, and couldn't take the loss of South Africa as a trading partner.
- ✓ B. The new prime minister of South Africa, Johannes Vorster, (Four-stir) who took over when

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Hendryk Verwoerd (Fair-VEERT) was assassinated, has made no changes in Verwoerd's policies, foreign or domestic.

- ✓ 1. The South Africans are in very good shape economically, and have made contingency plans with which they feel they can ride out total sanctions for several years, even if such measures should have world-wide compliance.
- ✓ 2. They feel that when the International Court of Justice recently threw out a suit by Liberia and Ethiopia, it confirmed the legal right of South Africa to run the territory of South-West Africa--which it held under League of Nations Mandate--without interference from the U.N.
- ✓ 3. They don't feel the African Nationalists can do much now to upset them.
- ✓ IV. London and Salisbury will probably keep on trying to settle the problem by negotiation.

*Study for the President.*

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✓ 2.

- ✓ B. The Africans inside Rhodesia have no power to affect the outcome.
- ✓ 1. The native population has been remarkably passive through the entire crisis. Any aggressive leaders who might make trouble are either under government detention, or have gone into exile.
- ✓ 2. The security forces have dealt effectively with occasional, poorly-organized sabotage attempts by guerrillas operating from Zambia.
- ✓ C. The best outlook for a solution lies along these lines of bringing Wilson and Smith back together. The African nations, therefore, are going to keep the pressure on London to make this impossible, and on all nations to extend the sanctions to South Africa. And you can <sup>assume</sup> ~~bet~~ that one of the main targets for these pressures will be the United States.

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DCI BRIEFING FOR  
RUSSELL SUBCOMMITTEE

9 January 1967

THE CONGO

- I. The former Belgian Congo was showing every prospect of starting a new year of political stability and domestic peace, and now President Joseph Mobutu has brought on an economic crisis by deciding on a showdown with the big Belgian copper mining interests.
  - A. Mobutu, who was the commander-in-chief of the Congolese army, has had a year in power. Except for his continuing concern that former Premier Tshombe will try to have him assassinated, he has shown the Congolese who is the boss.
  - ✓ B. The former rebels, thanks to the efforts of the mercenaries, are no longer a problem.
    1. They are getting no outside support, and are giving up in large numbers.
    - ✓ 2. The other day, in fact, some of them sweetened their surrender by giving the government three patrol boats on Lake Tanganyika. The Soviets had given these boats to the rebels for gun-running, and had just agreed to transfer them to the Tanzanian government.

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✓ C. This relatively rosy domestic scene may have helped convince Mobutu that he was strong enough to take on the Belgian company that owns and runs the copper mining interests in the Congo--the Union Miniere, or Mining Union of Upper Katanga, Tshombe's old stronghold in the southeastern Congo.

II. Mobutu gave the UMHK until January first to transfer its headquarters--which controls much more than just the Katanga copper mines--from Brussels to Leopoldville, (which they now call Kinshasa.)

A. The Belgians believe--and probably rightly--that the economic facts give them the upper hand.

- ✓ 1. They provide about 70 percent of the Congo's foreign exchange, which has been cut off since December 23. There is about enough on hand right now for one month of essential imports.
2. They do all of the export and marketing of Congolese copper.
3. Their best offer was to set up a headquarters in Leopoldville to run the Congolese portion of their interests.

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B. Mobutu apparently couldn't believe that his ultimatum couldn't work. He kept hinting that the Belgian or the U.S. government should advise the company to negotiate with him.

1. On January first, he had to go ahead and nationalize the company's assets in the Congo.
2. He has set up a company in which his government will own 60 percent, with 40 percent left for sale, or as bait to anyone who will help him run it.
3. He hopes some 700 key managers and skilled workers who are foreigners will stay, to keep the mines running.

✓ C. Now Mobutu is asking \$150 million from the company for copper they have in the export pipeline. He says if they don't pay, he will nationalize the Societe Generale, another related Belgian holding company with extensive assets in the Congo.

✓ D. The company in turn claims \$784 million from Mobutu for the assets he seized. The directors in Brussels have announced that they will sue any firm trying to market copper or other metals from the successor company Mobutu has formed.

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✓ C. Export of copper has stopped. Mobutu ordered this just before Christmas to raise the squeeze on the Belgians.

1. It was pretty much of an empty gesture anyway, because most of the copper moves out by rail across Portuguese Angola---and the Portuguese have suspended transit traffic from both the Congo and Zambia to make these governments control Angolan exile guerrillas.

III. The pressure now is all on Mobutu.

- A. He is losing fully half of the government's revenue as long as the copper doesn't move.
- B. He is almost certain to have trouble working the mines if he can arrange for other marketing.
  1. The European managers are not anxious to stay on under Congolese direction.
  2. Many of the miners come from Ruanda, not from the Congo. They are unhappy, too. They don't think the Congo government is a reliable paymaster.
- C. The two big Belgian companies are in sound shape financially, even without their Congo interests, and may feel this is as good a time as any to get out.

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IV. Mobutu has already sounded out U.S. officials about a loan of \$100 or \$200<sup>million</sup> to tide him over. He has been told flatly not to expect us to bail him out, but he probably still believes that we will not refuse short-term financing of several hundred million if the alternative is collapse.

A. He is not a good risk at this point.

Nationalization will make a shambles of the Congo economy, because the two companies have such wide interests in mines, banks, industry, and transportation.

B. The Belgians will be deeply resentful if he does receive help.

C. He has been negotiating a resumption of relations with the Soviet Union, and might get some help there, but even Soviet help couldn't do much to make up for a Belgian pull-out.

V. As this deadlock continues, there is a growing danger that the Congolese will tend to look on Belgian nationals--and indeed all whites in the Congo--as hostages.

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- A. There are about 40,000 non-African foreigners in the Congo.
1. The Belgians would be the primary targets for reprisals, or for violence, but the Congolese army is still little more than an undisciplined mob in many units. They don't stop to look at passports.
  2. That makes it understandable that many of the white foreigners the Congo must have to keep the economy running are beginning to have doubts about staying on.

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